

MEDIUM-TERM EXPRESS CREDIT PROGRAM AGREEMENT

The Medium-Term EXpress Credit Program Agreement (the “Agreement”), dated _____, 2000 between _____, a _____, (the “Participating Lender”) and the Export-Import Bank of the United States, an agency of the United States of America (“Ex-Im Bank”).

WHEREAS, the Participating Lender and Ex-Im Bank desire to participate in a pilot program for an expedited approval process for qualified medium-term export credits under Ex-Im Bank’s guarantee and insurance programs, under which the Participating Lender undertakes underwriting responsibilities and retains 5% of the risk of loss.

Now therefore, the parties agree as follows:

SECTION 1. DEFINITIONS

1.1 Definitions

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“Approved Loan” means an Eligible Loan for which Ex-Im Bank granted an approval under Section 4.1.

“Business Day” means any day on which the Federal Reserve Bank of New York and Ex-Im Bank are open for business.

“Eligible Loan” means a medium term export credit meeting each of the criteria set forth in Section 2.

“MGA” means the Master Guarantee Agreement between the Participating Lender and Ex-Im Bank dated as of _____ as referenced as MGA No. ____, as amended.

“Policy” means a medium term credit insurance policy of a type listed on Schedule 1 hereto.

“Retention” has the meaning assigned thereto in Section 5.2.

SECTION 2. ELIGIBLE LOANS

2.1. Eligible Loans. To be eligible for expedited approval as set forth in Section 3, the proposed export credit must meet the each of the following criteria:

- (a) complies in all respects with the credit standards set forth in Appendix A;
- (b) complies in all respects with the policy criteria set forth in Appendix B;
- (c) principal amount not greater than \$1 million (excluding the Ex-Im Bank exposure fee (premium));
- (d) the sum of the principal amount added to the principal amount of all other Approved Loans owed by the same obligor to the Participating Lender does not exceed \$5,000,000; and
- (e) proposed repayment term of 1 to 5 years.

2.2 Supplier Credits Excluded. Transactions where the proposed credit is extended by the supplier or exporter to the obligor and purchased by the Participating Lender are not eligible for expedited approval under this Agreement.

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SECTION 3 APPLICATION PROCES

3.1 Submission. The Participating Lender may submit an Eligible Loan for expedited Ex-Im Bank approval by delivering to Ex-Im Bank an accurate and complete supplement in the form of Appendix A, together with all required attachments, and either:

- (a) If the Participating Lender is applying for a medium term Ex-Im Bank guarantee under the MGA, a fully completed Ex-Im Bank “Preliminary Commitment and Final Commitment Application Form” and a pro forma approval letter in the form of Annex B to the MGA; or
- (b) If the Participating Lender is applying for a Ex-Im Bank insurance Policy, a fully completed Ex-Im Bank “Application for Medium-Term Export Credit Insurance Quotation Application Form.”

Applications may be mailed or faxed:

Export-Import Bank of the United States
 Attention: Medium-Term Express-[Insurance] [Guarantee]
 811 Vermont Avenue, NW
 Washington, DC 20571

Fax: (202)-565-3962, attention: Wayne Gardella (Guarantees)
 (202)-565 3677, attention: Ellen Lubetzky (Insurance)

3.2. Review. Upon receipt of an application, Ex-Im Bank may, but is not obligated, to review it. If, upon such review, Ex-Im Bank in its sole and absolute discretion determines that such application is incomplete or deficient in any way, Ex-Im Bank may elect to: (a) notify Participating Lender of any deficiencies; (b) process it in accordance with its standard procedures; or (c) deny it. Ex-Im Bank will communicate any such election to the Participating Lender within 2 Business Days. If Ex-Im Bank elects to notify the Participating Lender of deficiencies under (a) above, the Participating Lender must correct such deficiencies within 2 Business Days.

SECTION 4. APPROVAL PROCESS

4.1. Action Taken. Upon receipt of a completed Application, Ex-Im Bank will notify the Participating Lender, within 2 Business Days (or 3 Business Days in the case of a used equipment export), that the application for a guarantee or insurance has been: (a) approved; (b) referred for standard processing; or (c) denied.

4.2. Approval. If the approval is for a guarantee, Ex-Im Bank will send an Ex-Im Bank approval letter in the form of Annex B to the MGA within 1 Business Days' of the approval notice. If the approval is for insurance, Ex-Im Bank will issue the relevant Policy within 5 Business Days' of the approval notice.

4.3. Referral. If an application is referred for standard processing, the Participating Lender will be notified of approval or denial in accordance with Ex-Im Bank's procedures for transactions outside the Medium-term EXpress Credit program.

4.4. Denial. Ex-Im Bank may deny an Application if there are unresolved payment issues concerning the proposed borrower's or guarantor's debts to or guaranteed or insured by Ex-Im Bank, or for any other reason in the sole and absolute discretion of Ex-Im Bank.

SECTION 5. RISK RETENTION

5.1. Maximum Liability. With respect to Approved Loans, Ex-Im Bank's maximum liability for loss shall not exceed:

- (a) for a guarantee, 95% of the amount set forth in 3.07(a)(i)-(iii) of the MGA;
- (b) for insurance, 95% of "loss" as defined in the relevant Policy.

5.2. Risk Retention by Lender. The Participating Lender must hold the remaining 5% ("Retention") for its own account, and without recourse to any other party, security or other credit support, or enhancement; provided that the Participating Lender may assign or otherwise transfer any promissory note issued for an Approved Loan or to grant participations therein (except for the Retention).

SECTION 6. PARTICIPATING LENDER'S OBLIGATIONS

6.1 Books and Records. The Participating Lender agrees to keep complete and accurate books and records and maintain all material documents and information relating to Approved and Eligible Loans. The Participating Lender agrees to submit to Ex-Im Bank upon Ex-Im Bank's reasonable request any information with respect to any Approved or Eligible Loan within 5 Business Days of such request; provided that information necessary to complete an application shall be submitted within 2 Business Days pursuant to Section 3.2. The Participating Lender will also permit representatives of Ex-Im Bank to perform audits and make reasonable inspections of the Participating Lender's books, records and other information related to any approved loan or the Participating Lender's underwriting process and cause its officers and employees to give full cooperation and assistance in connection therewith.

6.2. Exercise of Due Care. The Participating Lender agrees, in performance of its obligations under this Agreement (including without limitation, preparation of applications submitted and provision of information), to exercise at all time the same degree of care and diligence as a prudent lender engaged in the business of export trade financing would for similar transactions held for its own account without surety, collateral or other enhancement or support.

6.3 Collateral. The Participating Lender is not required to obtain collateral to secure Approved Loans. If the Participating Lender does obtain such collateral, it agrees to share such collateral with Ex-Im Bank on a pro-rata basis.

SECTION 7. MODIFICATIONS TO MGA AND POLICIES

7.1. Agreement Controls. This Agreement supplements and forms a part of the MGA and any and all applications for Eligible Loans and guarantees or insurance issued for Approved Loans. The terms of this Agreement shall, to the extent possible, be interpreted consistent with the terms of the MGA or relevant Policy; provided, if the terms of this Agreement contradict the terms of such MGA, application or Policy, the terms of this Agreement shall control.

7.2. MGA. For all guarantees issued for Approved Loans, the MGA is hereby amended as provided in Appendix C.

7.3. Insurance Policies. For all insurance issued for Approved Loans, the Policy shall contain a special Medium-Term EXpress Credit endorsement and this Agreement shall be deemed incorporated by reference.

7.4 Reliance by Ex-Im Bank. Ex-Im Bank is entitled to rely on information, certifications and analysis by the Participating Lender hereunder and is under no obligation to make an independent review or confirmation thereof.

7.5 Timeliness. Time is of the essence with respect to the Participating Lender's obligations hereunder. Ex-Im Bank shall use good faith efforts to comply with its obligations hereunder within the time specified, but shall in no event incur any liability to the Participating Lender or any other person or entity for its failure to do so.

7.6 Effectiveness. As condition precedent to the effectiveness of this Agreement, Ex-Im Bank shall have received, in form and substance acceptable to it, evidence of the authority (including specimen signatures) of each person not otherwise authorized as a signatory under the MGA who signed this Agreement and/or will sign Appendix A supplements on behalf of the Participating Lender.

7.7 Termination. This Agreement shall terminate on the earlier of (a) _____ (unless the parties agree to a later date in writing) or (b) upon 15 days' prior written notice of termination given by one party to the other; provided that any such termination shall not affect any Approved Loan, or guarantee or insurance issued in connection therewith prior to the termination date.

7.8 MGA Sections Incorporated by Reference. The following sections of the MGA are hereby incorporated by reference: Sections 10.01 (Governing Law, Waiver of Jury Trial), 10.02 (Notices), 10.04 (Benefit of Agreement), 10.06 (Amendment or Waiver), 10.09 (Reliance on Lender's Evidence Authority), Section 10.01 (Counterparts), Section 10.11 (English Language) and Section 10.12 (Severability).

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed, in duplicate, as of the _____ day of _____, _____.

[PARTICIPATING LENDER]

EXPORT-IMPORT BANK OF THE UNITED STATES

By: _____

By: _____

Name:

Name:

Title:

Title:

Address:

Address:

811 Vermont Avenue, N.W.
Washington, D.C. 20571
Attention:

Telephone:

Telephone: (202) 565-3780

Telecopier:

Telecopier: (202) 565-3793

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Medium-Term Insurance Policies

MSM (multiple shipments single sale policy)

MSM-E (multiple shipments single sale policy with sovereign obligor/guarantor)

MMP (multiple shipments single sale policy – political only cover)

MTS (single shipment single sale policy)

MTS-E (single shipment single sale policy with sovereign obligor/guarantor)

MTP (single shipment single sale policy – political only cover)

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